GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:3202
ANSWERED ON:14.12.2006
OVERSIGHT COMMITTEE FOR PETROLEUM AND FERTILIZER SECTORS
Mohale Shri Punnulal;Scindia Shri Jyotiraditya Madhavrao

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

:

(a) whether the Government has decided to authorise the GAIL(India) Ltd. to search for sources of Liquefied Natural Gas for fertilizer sector and pricing of gas;

(b) if so, whether the Government has also decided to put in place an Oversight Committee for Petroleum and Fertilizer Sectors;

(c) if so, the details of the constitution and functions of the different authorities and entities; and

(d) the steps taken so far in the matter?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a) Presently, there is a large gap between demand and supply of natural gas in the country. One of the options to bridge this gap is to import natural gas in the form of Liquefied Natural Gas (LNG). GAIL and other agencies are continuing their efforts to source LNG at a reasonable price for various gas consumers, including fertilizer sector. GAIL is holding discussions with various potential suppliers in Australia, Algeria, Indonesia, Malaysia, Qatar, Nigeria and Myanmar for import of LNG.

(b)to(d): Department of Fertilizers vide order dated December 6, 2006 has constituted a Committee with the following composition and terms of reference:-

1.	Secretary, Ministry of Petroleum & Natural Gas	Chairman
2.	Secretary, Planning Commission	Member
3.	Secretary, Department of Fertilizers	Member
4.	Secretary, Department of Expenditure	Member

Terms of Reference:

(i) To deliberate upon the issues relating to connectivity and assured supply of gas as per the demand projections to the fertilizer sector.

(ii) To develop an appropriate mechanism for fixing the price of gas in a transparent manner.

(iii) Any other matter that the Committee thinks fit.

The Committee will be serviced by the Department of Fertilizers.
Department of Fertilizers(DOF) will take further action in the matter, as it is the nodal Department to service the Committee.